

# DAILY REPORT

## Western Europe

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### FEDERAL REPUBLIC OF GERMANY

Schmidt Urges Greater International Economic Coordination J 1 1/A5  
Genscher Warns Against Outside Interference in Africa J 1 1/A5  
Genscher To Visit Tanzania, Burundi, Ruanda 26 Feb - 4 Mar J 1 1/A5  
Lambriorff: No New Economic Program in Foreseeable Future J 1 1/A5  
Article Details Schmidt's 'Profound Dislike' of Carter J 2 1/A6  
[DER SPIEGEL 20 Feb 78]

### FRANCE

First Round Election Campaign Officially Opens K 1 1/A8  
Republicans Likely To Withdraw Last-Minute Candidates K 1 1/A8  
Premier Barre Attacks Socialist Party Election 'Promises'  
[LE FIGARO 15 Feb 78] K 1 1/A8  
Chirac Hits PS for 'Not Defining Policy,' Denies Right Split K 2 1/A9  
Mitterrand Asking for Blank Check [LE FIGARO 15 Feb 78] K 2 1/A9  
Comments on Majority Problems K 3 1/A10  
Mitterrand: No Left Victory Without Republican Discipline K 4 1/A11  
[LE MONDE 17 Feb 78]  
LE FIGARO Examines Socialist Party's Proposed Budget [15 Feb 78] K 4 1/A11

### ITALY & THE VATICAN

Andreotti Meets With Party Delegations on New Program L 1 1/A14  
Meeting Suspended, Statement Issued L 1 1/A14  
Political Leaders View Negotiations L 2 1/B1  
Andreotti Confers With Parties' Economic Experts L 3 1/B2  
Papers Assess Current Political Situation L 3 1/B2  
Zaccagnini Open Letter Discusses DC Political Role L 5 1/B  
PCI Officials Meet With ZANU Delegation Led by Mugabe L 6 1/B5  
[L'UNITA 11 Feb 78]  
PCI Releases Study on Political Terrorism L 6 1/B5

### UNITED KINGDOM

Owen To Visit Israel, Other Middle East Countries Q 1 1/B6  
Sithole Arrives in London for Talks With Owen Q 1 1/B6  
Optimistic Over Rhodesian Settlement Q 2 1/B7

### CYPRUS

Palestinians Kill Egyptian Journalist As-Siba'i R 1 1/B8  
Report on Nicosia Killing R 1 1/B8  
Kiprianou Condemns Murder R 1 1/B8  
Kiprianou Cables As-Sadat R 1 1/B8  
Larnaca Commando Attack Unauthorized R 2 1/B9  
Kiprianou Statement on Incident R 2 1/B9  
Kiprianou, Ghali Statements R 3 1/B10  
Assassins' Hearing Set R 4 1/B11

Egyptian Commandos To Leave	R 4 1/B11
AKEL Raps Egyptian Leaders	R 5 1/B12
Interior Minister's Press Conference	R 5 1/B12
Lissaridhis on Mediation With Kidnapers	R 9 1/C2
Larnaca Airport Reopened	R 10 1/C3
TA NEA on Cyprus-Egyptian Talks [21 Feb 78]	R 10 1/C3
TFSC Opposition on Incident [BOZKURT 21 Feb 78]	R 10 1/C3
Crek Charges 'Plot'	R 11 1/C4
O ANEXARTITOS Scores American Behavior [20 Feb 78]	R 11 1/C4
Egyptian Reportage on Killing, Hijacking [cross-reference]	R 11 1/C4

## GREECE

Kiprianou Leaves Athens at End of Official Visit	S 1 1/C5
Greek-Yugoslav Economic Talks To Start in Belgrade	S 1 1/C5
I VRADHINI Supports Formation of Strong Cyprus Army [18 Feb 78]	S 2 1/C6

## TURKEY

Ecevit, Erbakan Meet, Discuss Domestic Problems	T 1 1/C7
GUNAYDIN Comments on Turkish Territorial Concession in Cyprus [19 Feb 78]	T 1 1/C7
European Parliament Socialist Group Begins Contacts in Ankara	T 2 1/C8
Greece Reportedly Planning To Conscript W. Thrace Turks	T 2 1/C8

7 Feb 78 P-10 Pr Ex 7.10 FBIS-WEU-78-35

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# DAILY REPORT



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# WESTERN EUROPE

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## SCHMIDT URGES GREATER INTERNATIONAL ECONOMIC COORDINATION

LD181146Y Hamburg DPA in German 0025 GMT 18 Feb 78 LD

[Text] Hamburg--Federal Chancellor Helmut Schmidt last night in Hamburg called for even greater international coordination of economic policies. The chancellor gave assurances that the Federal Republic would play its part in the world economy. He hoped the same was true for others.

Speaking to the 360 guests, including Dutch Crown Princess Beatrix and Crown Prince Claus, at the traditional Matthias dinner at Hamburg City Hall, the chancellor praised the Hanseatic city as a center of international economic relations. At present stronger international links have led to mutual dependence. This economic interdependence means that many problems can only be solved through coordinated action by individual countries.

Schmidt praised the European Community as an instrument which has been a blessing not only from the economic point of view but also in the foreign policy field. "In the EC, peoples have achieved such a high level of fusion that a war between partners is not only inconceivable but has also become technically impossible." Economic interdependence has prompted and consolidated peace in the world, Schmidt stressed. For this reason one should welcome economic dependence between the West and East as well.

## GENSCHER WARNS AGAINST OUTSIDE INTERFERENCE IN AFRICA

LD172032Y Hamburg DPA in German 2003 GMT 17 Feb 78 LD

[Text] Bonn--Federal Foreign Minister Hans-Dietrich Genscher today once again warned against outside interference in Africa's problems. At a dinner given in honor of the heads of mission of the OAU member states in Bonn, Genscher said that the Federal Government views with great concern efforts trying to draw Africa into extra-African antagonism and to make it the scene of hegemonic politics. However, nothing can hamper the solution of African problems more than the importation of East-West antagonism. In the words of Genscher, Africa did not shake off old-style colonialism only to accept new ideological colonialism. Bonn supports the independence of the African states and has no ambition to acquire spheres of influence. The Federal Government is seeking a close partnership with an independent, united and prosperous Africa.

## GENSCHER TO VISIT TANZANIA, BURUNDI, RUANDA 26 FEB-4 MAR

LD201938Y Hamburg DPA in German 1718 GMT 20 Feb 78 LD

[Excerpt] Bonn--Federal Foreign Minister Hans-Dietrich Genscher is to visit the East African states of Tanzania, Burundi and Ruanda from 26 February to 4 March. Foreign Ministry spokesman Juergen Sudhoff announced today that the visit to Kenya, which originally had been considered, would not take place now since the foreign minister of this country had to take part in an OAU conference and afterwards travel to the U.S. The visit, however, will be made at a later date.

## LAMBSDORFF: NO NEW ECONOMIC PROGRAM IN FORESEEABLE FUTURE

LD201530Y Hamburg DPA in German 1459 GMT 20 Feb 78 LD

[Excerpt] Bonn--Federal Economics Minister Otto Graf Lambsdorff has warned industry and consumers not to expect a new economic program. Speaking to the Association of the Hamburg Construction Industry today, Lambsdorff said there was no point in waiting and postponing purchasing and investment decisions. "There can be no question of a new economic program in the foreseeable future," Lambsdorff said. In order to boost the economy the Federal Republic has undertaken far greater efforts than the United States and has done her part toward the overall economy recovery process and a solution to worldwide economic difficulties, the minister stressed.

## ARTICLE DETAILS SCHMIDT'S 'PROFOUND DISLIKE' OF CARTER

DW200923Y Hamburg DER SPIEGEL in German 20 Feb 78 pp 30, 31 DW

[Anonymous article: "Nothing But Contempt"]

[Text] Worried politicians in Bonn are wondering how long President Carter will go on taking the advice and rude manners of Chancellor Schmidt.

The rank and file mutinied against the boss. In the cabinet meeting last Wednesday Ministers Hans Apel, Hans-Dietrich Genscher and Otto Graf Lambsdorff told the chancellor that if there is not yet a crisis in German-U.S. relations, Helmut Schmidt is in the process of creating one through his malicious remarks about U.S. President Jimmy Carter and his team.

"We must get along with Carter for another 7 years," Genscher warned the head of government. Apel seconded: "You cannot approach a partner that way."

The truth is that Helmut Schmidt has hardly made a secret of his profound dislike for Carter. In 13 months he has met with the President three times--at the London world economic summit, in Washington, and in Aswan in Egypt (Schmidt: "So that one is coming too.")--and on each occasion he purposely avoided responding to well-meant advances ("Hi Helmut"): "A 'Jimmy' will not pass my lips." At best the German chancellor condescended to utter caustically disparaging remarks about the great ally: "Carter is a system capable of learning."

As far as graduate economist Schmidt is concerned, however, Carter is learning too slowly and too little. Times are gone when the German head of government simply rang the bell of Gerald Ford at the White House to give him advice and at times even to ask for advice on his part. It has faded into contemporary history how often Secretary of State Henry Kissinger landed on German soil where colleague Genscher received him with a political problem--or at times even with a sweater knitted by Ma Genscher lest "friend Henry" catch a cold.

Successors Carter and Cyrus Vance are not accorded this care. Contacts across the Atlantic are chilled, and Schmidt is doing nothing to thaw the ice. Time-consuming exchanges of letters have replaced a quick telephone call; more and more often respective stances are being announced from the lectern, as it were, as an unchangeable, uncompromising doctrine.

Thus, as far as the Americans are concerned it is an established fact that people in the Bonn have failed to live up to their duty of helping overcome the worldwide economic slump through the impetus of strong economic growth in their own country.

World economist Schmidt gave the answer in public in the usual manner of a lecturer. If "some foreigners," said the chancellor pointedly in his latest government statement, "would like to regard the Federal Republic as a locomotive which is to pull all other states out of world recession," then this would be "overrating German strength."

Meanwhile, indirect methods have become a general practice in German-American exchanges. The New York TIMES, with the discreet blessings of Carter and his Treasury Secretary Michael Blumenthal, has been worked up for weeks now, saying that the Germans are shutting off the steam for world economic stimulation through their inflation hysteria and craze for stability.

Just a day before Bonn's Economics Minister Lambsdorff wanted to talk over differences with the Carter people in Washington of all times. Schmidt hit back--with an exact duplication of the American usage of conveying displeasure in newspaper commentaries instead of diplomatic notes.

The chancellor prompted FRANKFURTER ALLGEMEINE into a four-column story to inform Washington on his part how "much taken aback, disturbed, irked, perplexed" he was by U.S. economic policy. The whole thing, the German said via a "FAZ" commentary, struck him as a "campaign, gross distortion, false judgment, stubborn persistence" on--truly Schmidt--"complete nonsense."

The ruler of the world economy did not stop at making powerful emotional statements. Instead of taking the edge out of the conflict, aides to the chancellor reportedly produced petty calculations to show how absurd and foolish Washington's entire economic strategy was.

The Bonn wise guys' game of figures goes on as follows: The West Germans are spending every third mark on imports, the United States only every 10th dollar; our imports amount to about the same value as those of the United States, although its economic power is two-and-a-half times stronger, measured by gross national income; Bonn's last program aimed at cranking up the economy was three times more valuable than Carter's recent economic package, compared with the U.S. budget.

As incorrect as such calculations may be, they long ago became a method: Last Monday when Blumenthal paid a blitz visit to Bonn, Schmidt presented a complete catalog of sins to the Carter emissary. The Americans have no reason at all to constantly criticize the Germans; they must be blamed particularly for the international economic weakness because they are doing nothing to counter the deterioration of the dollar and the deep red figures in the U.S. foreign trade balance.

A Bonn participant in the talks with Blumenthal said: "The chancellor was extremely rough." An American was almost angry: Schmidt let the guest feel "nothing but contempt."

Moreover the moral-political activities of the U.S. President have been getting on the nerves of the German pragmatist for a long time. He complained in writing about Carter's global human rights campaign, which was particularly addressed to the Eastern bloc. He energetically opposed the man in the White House when he wanted to prevent the German-Brazilian contract out of concern over the hazards of worldwide plutonium agreements.

The chancellor felt confirmed in his biased opinion that the Carter administration was acting out of a mixture of naivete and boldness when the Americans wanted to exchange a CIA man they lost in the Soviet Union for Guillaume, the spy in the chancellor's office, without first having asked the people in Bonn.

Regardless what Carter does, Schmidt is first to oppose it. The consequences: Instead of talking with each other, Bonn and Washington are mainly talking about each other. The confidence that once was mutually provided in advance is melting away.

From his conviction that the inflationary economic course urged by the United States has been proven to be senseless and dangerous, the chancellor is coming to the conclusion that the foreign policy of unexperienced Carter is of a similar quality. After all, he was prepared to make a minimum concession in the cabinet: He would stop his finding fault with everything if the United States would stop pressuring Bonn regarding economic policy.

The Americans still seem rather baffled by developments. They still are blocked, asking themselves what they have done wrong: Secretary of State Cyrus Vance wanted to know from Otto Graf Lambsdorff in Washington, "Why do we have such a bad reputation in Germany?"

In the meantime Michael Blumenthal gave an initial explanation after his clash with the chancellor. Washington has not yet answered Schmidt's scolding. A German chief diplomat said, "May God help us if Carter applies pressure."

## FIRST ROUND ELECTION CAMPAIGN OFFICIALLY OPENS

LD201026Y Paris Domestic Service in French 0700 GMT 20 Feb 78 LD

[Summary] The election campaign opened officially today. It will end on Saturday, 11 March, at midnight, as far as the first round of voting is concerned. As of today candidates can put up their election posters and in every constituency a committee will supervise the distribution of election propaganda documents. Candidates who obtain at least five percent of the votes will be reimbursed for election material printing expenses.

The campaign on radio and television will start in a week, on Monday, 27 February.

The registration of candidates closed at midnight, and their number exceeds all records. In Paris there are 459 candidates for 31 seats, in other words an average of 14 candidates per constituency.

## REPUBLICANS LIKELY TO WITHDRAW LAST-MINUTE CANDIDATES

LD201516Y Paris Domestic Service in French 1400 GMT 20 Feb 78 LD

[Text] The Republican Party is ready to withdraw its candidates put forward at the last moment under a condition which Jean-Pierre Soisson disclosed after a meeting of 1 hour with Raymond Barre. Jean-Pierre Soisson said that the other formations of the majority must do the same and a return be made to the agreements concluded at the end of last year. At this meeting, the secretary general of the Republican Party has also made it clear to Raymond Barre that Jean-Jacques Servan-Schreiber is not the head of the Union for French Democracy (UDF) and the premier, Jean-Pierre Soisson said, broke into a smile and told me that this appeared to him to be the way of reason.

## PREMIER BARRE ATTACKS SOCIALIST PARTY ELECTION 'PROMISES'

LD170955Y Paris LE FIGARO in French 15 Feb 78 p 3 LD

[Special correspondent Daniel Seguin report: "Barre: 'The Left's Catalog of Promises Is an Extraordinary Trap for the Foolish'"]

[Excerpt] At the end of yesterday afternoon in Issoudun (Indre), where a handful of hecklers were waiting for him in the street and 500 people were waiting for him in a movie theater, Raymond Barre warned French people against "the extraordinary trap for the foolish which is the catalog of promises" of the left. Returning to the familiar themes of his explanatory tour through France, the premier once again contrasted the virtues of effort with hopes based on illusion.

Adding to his scathing remarks about the opposition thinkers, he became ironic about the "good faith of these people" whose shamelessness is "unworthy of democracy and unworthy of men who aspire to govern France." And when he talked of "a disturbing degree of irresponsibility" he made it very clear that he was thinking more of the Socialist Party (his preferred target) than of the Communist Party [PCF], "which is at least logical, whereas you might wonder whether the Socialist Party thinks at all; and whether it is not in the process of making promises which it does not intend to keep--which would explain the PCF's mistrust."

Stigmatizing this "very pronounced" desire "to deceive their own people," he asserted with the energy of a teacher angered by the behavior of a bad pupil: "In my view, that is not politics."



Faithful to the language of truth to which he remains devoted, he succumbs to neither the pessimism of "things are going badly" nor the optimism of "things are going well."

"Things are improving," he asserted. And to prove it, he invited his audience in particular to make comparisons: "We are cutting a fine figure in Europe and the world," he said, before confiding that this recovery was due less to the Barre plan than to the remarkable efforts of the French people.

These efforts must be continued after the elections, which Raymond Barre views favorably:

"We are going to win. But I am not one of those who cry 'we are going to win' but who thinks at heart that we will be beaten, because that could perhaps be useful for them."

CHIRAC HITS PS FOR 'NOT DEFINING POLICY,' DENIES RIGHT SPLIT

#### Mitterrand Asking for Blank Check

LD171029Y Paris LE FIGARO in French 15 Feb 79 p 3 LD

[Unattributed report: "Chirac: The Socialist Party Is the Only Party To Demand a Blank Check"]

[Excerpts] Before an audience of more than 2,000 in Dijon, the chairman of the RPR [Rally for the Republic] asserted that the conflict which would "necessarily" arise between the leftwing government and the president of the republic if the opposition won the elections "could only result in confrontation or the eclipse of the head of state." "The head of state received from the people a fundamental mission which he must undertake until the end of his term and which is of a totally different nature to the mission which Mitterrand and Marchais would require him to fulfill."

He went on to criticize sharply the Socialist Party [PS] and Francois Mitterrand "who was a minister six times under the Fourth Republic." "With his past, he ought to be a little more moderate in his judgment of those who have taken his place."

Jacques Chirac resumed these attacks on the PS yesterday evening on Radio Monte Carlo. Asked about the left's chances, Mr Chirac declared: "On the assumption of an opposition victory, what would we see? First we would see a curious situation since we have no precise knowledge of what the program or even the composition of the resulting government would be."

Echoing Georges Marchais' words, the RPR leader stressed: "Mitterrand is asking the French people for a blank check, and his is the only party in France to do so."

Some 20-25 Percent of French People Are Still Undecided

Asked about the problems of energy and national independence, Jacques Chirac recalled the exhaustion in the long term of coal and oil resources and declared: "And so there is only one possibility.... It is the very rapid development of our nuclear capacity to produce electricity." "Something which seems to me much more serious and much more dangerous is that, here too, Mr Mitterrand is incapable of defining a policy on behalf of the PS...."

The former premier said further that he does not believe in opinion poll forecasts a month before the elections: "I can tell you that at present, in my opinion, 20-25 percent of French people have certainly not made up their minds.... Which means that it is still possible to create a current which will determine the result...."

Mr Chirac went on to deny that there was "any fundamental difference of opinion or quarrel" among the majority parties. "Of course, there is the normal election-eve rivalry between the different parties involved. This follows from the choice made by the head of state, who has indicated that the majority is pluralist....," he said.

Mr Chirac acknowledged that "of course, there are other currents in the majority which, at the call of Jean-Jacques Servan-Schreiber, have regrouped in an organization and which are also needed for the majority to triumph."

#### Comments on Majority Problems

LD191842Y Paris Domestic Service in French 1230 GMT 19 Feb 78 LD

[Summary] In an interview Jacques Chirac, leader of the Rally for the Republic Party [RPR], challenged the findings of an opinion poll according to which French Communist Party Secretary General Marchais holds the key to the victory or defeat of the opposition. Chirac spoke to correspondent Michel Polacco in Correze:

[Begin Chirac recording] "I do not think it can be said that any person holds the key to victory or defeat. I think the majority holds that key, and that victory or defeat will in fact depend on the intensity and quality of its campaign." [end recording]

Chirac says he believes that many people are still undecided and that quarrels between socialists and communists are likely to cause doubts among people.

[Begin recording] [Polacco] "There is talk about the situation within the majority to the effect that the Union for French Democracy [UDF] is determined to maintain its candidates against RPR candidates."

[Chirac] "We are conducting a battle in which we must be allies, and any polemic within the majority--which, moreover, is totally baseless--between people who have signed the same manifesto together would be harmful. And I will not associate myself either closely or distantly with any act of disunity in the majority. For me, the only thing that counts is the present fight--that is, the clearly affirmed wish to win the elections.

"As for the UDF, it campaigns in its own way. I ardently hope it does as well as possible for us to win together. On the other hand, yesterday I heard statements from Jean-Jacques Servan-Schreiber which rather surprised me. He is appearing more and more for what he is--the true inspiration behind and the leader of the UDF. I am not sure that this is the best formula; I have already said so. However today we are engaged in a fight which does not allow for the slightest polemic or the slightest internal difficulty in a majority which in reality has none." [end recording]

MITTERRAND: \* LEFT HISTORY WITHOUT FORCE' LE MONDE 17

LD171709Y Paris LE MONDE in French 17 Feb 78 p 7 LD

[Unattributed report on Socialist Party First Secretary Francois Mitterrand 15 February statements on French Television Channel Two: "Mitterrand: The Hour of Truth Will Come for the Communist Party (PCF)"]

[Excerpt] Mr Mitterrand added: "I ask the Communists precisely, and in particular all the voters, to impose the necessary union. For this to happen there must be a return to prudence and commonsense and respect for the agreement to which we are committed. I believe that the time will come when the hour of truth will sound for the PCF.

"It is now up to French men and women to choose between the Communist and the Socialist proposals. Of course, as soon as they have pronounced their verdict, it will be necessary to recover discipline, the famous republican discipline, the leftwing discipline, from the attic where the PCF would like to store it."

Mr Mitterrand expressed the view that, if the PCF refuses to withdraw in favor of Socialist candidates, the left cannot win, and he added: "If that happens Georges Marchais will be responsible for the left's defeat.... The overwhelming majority of Communist voters will apply this discipline. But of course there must not be an uncontrollable outflow of votes. Yet I say that to reject the union, to reject discipline, is tantamount to putting all the social measures at risk in April.... I have no doubt that the PCF, aware of its duty, will eventually accept these arguments, which are motivated by commonsense and the interests of the French people."

The President of the Republic Will Not Be Able To Influence the Government's Composition

In the event of a leftwing election victory, Mr Mitterrand explained: "The president of the republic will not be able to influence the internal composition of the leftwing government; he will not be able to insure that, if he so wishes, a particular party which should be represented in it is not represented.... Since 1972 I have quite simply accepted, by signing the Joint Program, that there will one day be a government in which all the left--including the Communists, therefore--will be represented. In which posts? I have no idea. I do not look upon the Communists as second-class citizens. I do not believe that there are principles to be laid down; I believe that there are expedencies to be observed."

LE FIGARO EXAMINES SOCIALIST PARTY'S PROPOSED BUDGET

LD171607Y Paris LE FIGARO in French 15 Feb 78 p 4 LD

[Yves Duhamel article: "Overestimated Revenues and Strange Omissions"]

[Text] The Socialist experts have been very cautious in their calculations. They have not costed the Joint Program, even for just 2 years, but merely a state budget and social budget for the period April-December 1978. At least the Communist Party had a merit of honesty in that it published complete economic accounts (enterprise, household and administrative accounts). But limited as they are, the figures given by the Socialist Party [PS] require comment.

## Underestimation of Budget Expenditure

Let us take an example:

--Personnel recruitment. Cost: Fr3.2 billion.

Some 150,000 new jobs will be created in the public social services. The planned cost of Fr2.5 billion represents an annual wage of Fr16,000 or a little more than Fr1,777 per month: a surprising figure to say the least when it is known that the guaranteed minimum wage [SMIC] will be fixed at Fr2,400.

The civil service estimates the cost of a new job at an average of Fr40,000--which would have the effect of tripling the given figure in a complete year.

Some 60,000 jobs for local officials will be created. The planned cost is Fr700 million. This is an even more surprising result since their monthly salary would be scarcely Fr1,500.

## Overestimation of Budget Revenue

--Tax on large fortunes and capital gains. Planned revenue: Fr4 billion.

In order to be able to estimate the revenue from a tax on fortunes of more than 500 million per household, it would be necessary to cost the establishment of the tax. Does the PS seriously think it can do this since we know how much time the land tax reform decided upon in 1970 required? The institution [of a tax] takes so much time (the adoption of the executive orders, inspection, the compiling of registers, collection) that it is altogether unrealistic to expect substantial receipts from it in the first 3 months.

--Net tax on company assets. Planned revenue: Fr5 billion.

The same remarks apply to the institution of this tax.

--Increase in tax yields due to the recovery. Planned revenue: Fr14 billion.

This is a key point since it represents nearly 50 percent of the revenues (Fr30.8 billion). Since the income tax due for 1978 is not paid until the following year, it is essentially a matter of revenue from value added tax [VAT]. The government budget envisages receipts on the order of Fr160-170 billion from VAT on the basis of a 4.1 percent growth rate. The growth rate envisaged by the PS is not much higher--4.9 percent. The difference would only explain about 900 million. Import duties, which will increase considerably (9.8 percent) should be added to this. A figure of Fr2 or 3 billion for the additional revenue would be plausible, but certainly not Fr14 billion unless you were to say that galloping inflation will make prices rise very sharply, thus increasing the revenue from VAT which is proportional to them. Is the PS proposing to take back with one hand what it has given with the other?

## A Mysterious Point

--Incentives for energy saving. Planned revenue: Fr6 billion.

A mysterious point. Generally, incentives imply state expenditure. If it is a matter of energy savings in the medium term, it is not very realistic to include them in the 1978 budget. [paragraph continues]

Replying to a question on this point, the PC experts agree the main effect of such a policy will be a question of increasing prices for supergrade gasoline. For instance, increasing from 79.40 (per liter) to about 89¢ at the end of the year.

Underestimation of Social Expenditures

The cost of retirement at age 60 is estimated at 270.5 billion. It seems probable that since the Communist Party, more realistically, gives the figure of 270.5 billion for the overall cost of the existing old age pension and retirement of about the 20 figure of 271.5 billion (270.5 billion plus 270.5 billion) plus the 270.5 billion which will cost the state.

Index-linking of paymen

Mr. Billhardt has promised index-linking of paymen, index-linking of savings bank "A" accounts, or when the ceiling will be raised, and index-linking of the 270.5 billion loan which will be floated. It is obviously the state budget which will have to stand the cost of this. However, there is nothing about this in the PC outline. The Socialists, the PC experts say, want to start size savings. In other words, they will give only relatively long-term deposits the benefit of index-linking and the differences between the interest rate paid and the guaranteed interest rate will be settled only at the time of withdrawal. Thus the cost of index-linking is left for the government after 1978.

The effects on Enterprises

A reduction of social contributions to the tune of 27100 per employee per month (a total of 270.5 billion) is aimed at palliating the effects of the increase of the VMC to 270.50, but in connection with this measure, it is necessary to take into account the new tax on company assets which will yield a total of 270.5 billion and particularly the increase in the wage bill which the PC estimates at 10 percent and which would cost enterprises 270.5 billion. Thus the net cost will rise to 2710.5 billion, subtracting the 270.5 billion of reduction from the 2710.5 billion of new costs. Furthermore, if enterprises' prices are frozen, it is hard to see how the PC experts can hope for a 5 percent increase in investment during the next year and the creation of 180,000 new jobs by enterprises.

(mitted Measures)

Several radical means of limiting costs are not to keep prices which have been raised. All there is no trace of the following measures in the Socialist outline:

- compensation for the shareholders in nationalized enterprises;
- An increase in the coverage of the cost of being ill from 50 percent to 100 percent;
- Measures to help the adult handicapped;
- Abolition of income tax for people earning only the VMC;

These are all measures featured in the 1978 program updated by the PC...

MEETING WITH THE MEMBERS OF THE GOVERNMENT

Meeting Suspended, Statements Issued

ROME (AP)—Prime Minister-designate Aldo Moro's meeting with members of the government ended at 17 Feb 78.

(Daily Press report, Rome, Feb 78.) (Info)

After the collegial meeting between Prime Minister-designate Andreotti and the delegates of the six parties of the program agreement ended a short while ago at the end of the meeting, a statement was issued which said:

Confirming the common assessment of the gravity of the general situation in the country, it has been agreed to make responsible efforts to end the crisis as soon as possible. For this reason, it was considered that in view of the different viewpoints, it is necessary to define in advance the political framework of cooperation being sought. In order to acquire further useful elements, the prime minister-designate, the official communiqué concludes, will quickly contact party representatives as regards the program platform.

Thus, an element of delay has been apprehended, and the meeting will probably be resumed in the second half of next week. This will allow the Christian Democrats to formulate a political answer to the pressing demands by the Communists, Socialists, Republicans and Social Democrats for a more definite solution to the political problem concerning the subject, which is to support the new government. The Christian Democrats, Indagatori said on leaving the Chigi Palace a short while ago, will convene the Directorate and parliamentary groups early next week.

As was still at an inconclusive stage, Communist Apollitano said on leaving the Chigi Palace. The Communist's hope that this stage will be a short one.

As was facing a temporary halt, Liberal Spini commented. In the meantime, he added, as of tomorrow Andreotti will be meeting with Deputy Secretaries of the six political parties to continue preparing the program document. However, all definitive decisions will be taken at next week's collegial meeting.

The collegial meeting, which was suspended today afternoon, will be resumed in the middle of next week, Republican Quasili confirmed. According to the Republicans, today's meeting was not negative, but many knots still need to be unravelled.

The summit meeting was opened by Andreotti. He was followed by Berlinguer, who criticized several parts of the draft program put forward by the prime minister-designate, and asked for clarification of the part of the letter where Andreotti tried to solve the political problem of the crisis. Next to speak was Socialist Secretary Craxi, who expressed appreciation for the speech by Moro which, according to him, showed exact understanding of the requests for change expressed by a vast range of political forces and recognition of their legitimacy and foundation, while on the other hand, it admitted the difficulties of the Christian Democrats which, Craxi said, do not seem to be insurmountable. Then La Malfa [Republican Party secretary] criticized the vast publicity given to a document which is only a draft program. He was followed by Luini [Social Democrat Party secretary] and Carone [Liberal Party secretary]. It was then Moro's turn who, according to some reports, made a 15-minute speech which was described by Andreotti as a speech by "the wise." In its conclusion, other delegates also assessed it as a step forward.

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This was followed by another speech by Andreotti who said that the text of the document forwarded to the parties represents a working document, and that a real and proper government program can result only from the contributions made by the associated parties, so as to make the country understand the reality of the situation and the value of the efforts and agreement. There is a need for strong and convergent intentions, Andreotti insisted, and added: In order to solve the crisis, we worked on a government formula which is perhaps new, but which is not at all [word indistinct] and vague. It is necessary [word indistinct] to approve the program for a one-party government, if it is impossible to have a government which represents almost all parliamentary forces. It is necessary to have a vote of confidence and an undertaking with all relative rights and duties, Andreotti added, quoting literally from Berlinguer's statement the other night, "to bring about explicit and solid parliamentary relations between concrete groups."

#### Political Leaders View Negotiations

AU172025Y Rome ANSA in English 1930 GMT 17 Feb 78 AU

[Text] Rome, February 17 (ANSA)--Christian Democrat (DC) Party Secretary Benigno Zaccagnini said here this evening that "although conflicting points of view emerged" from today's meeting between Premier-Designate Giulio Andreotti and the political parties involved in negotiations for the formation of a new government, "there is a joint will to seek points of convergence."

Attending the session were delegations of the Christian Democrats, Communist (PCI), Socialist (PSI), Republican (PRI), Social Democrat (PSDI) and Liberal (PLI) parties, the same groupings whose endorsement of a policy agreement last July (?put) Andreotti's previous minority DC governing team in power.

IRI President Ugo La Malfa said after the meeting that the negotiation "is moving... with small steps," voicing dissatisfaction for the slowness of the consultations.

The same impatience was voiced by PSI Secretary Bettino Craxi who said "we still cannot [word indistinct]." PSDI Secretary Pierluigi Romita, on the other hand, voiced satisfaction and said today's crucial meeting "marked a step forward." PLI Secretary Valerio Zanone continued the marine metaphors and said "we are still in high seas."

Communist Party Secretary Enrico Berlinguer was more explicit and said "the crisis is still in its uncertain phase but this uncertainty is within the DC."

Speaking during the meeting, Andreotti recalled the growing dangers which derive from the emergency situation in which Italy now finds itself: a serious economic crisis, a large number of jobless persons, terrorism in the large cities, the fragility of the economic-financial system aggravated by a massive foreign debt.

"We have worked on a formula which is perhaps new," Andreotti said, "first a (?move) for approval of the platform... [in the form of a] confidence-vote and the commitment--with all "the reactive rights and duties--to create an explicit and solid parliamentary relationship between the contracting parties to sustain a government and to legislate with the necessary timeliness."

The premier-designate spoke of a "brief timetable" for solving the political crisis and said that the recent decision of the trade unions to fight unemployment rather than for salary hikes "augurs well."

Andreotti's "timetable" will be made known next week probably in the meeting of the DC leadership which should make a position statement on the [word indistinct] reached thus far. In the next few days, in any case, the various parties will continue to meet to put the final touches and try to eliminate the hurdles to drafting a final accord.

#### ANDREOTTI CONFERS WITH PARTIES' ECONOMIC EXPERTS

AU181545Y Rome ANSA in English 1540 GMT 18 Feb 78 AU

[Text] Rome, February 18 (ANSA)--Premier Designate Giulio Andreotti met today with economic experts of the six major parties involved in the negotiations to form a new government. The meeting was dedicated to an examination of the economic platforms Andreotti presented to the parties on Wednesday.

The meeting, which demonstrated clearly the parties' intention to pursue the dialogue despite the meager results of yesterday's meeting between Andreotti and the six parties' delegations, was attended by Christian Democrat (DC) Deputy Secretary Giovanni Galloni, Communists Gerardo Chiaromonte and Giorgio Napolitano, Socialist [PSI] Claudio Signorile, Social Democrat [PSDI] Pietro Longo, Republican Deputy Secretary Emanuele Terrana, Liberal Party Deputy Secretary Alfredo Bondi and Republican Party member Renato Altissimo. PSDI's Longo said that the meeting took place "in a certainly positive atmosphere which gives hope for the best." The meeting dealt primarily, Longo added, with the work method to adopt.

Monday there will be another meeting with the same party representatives and [word indistinct] with the specific content of the economic document starting with public finance. "On Monday afternoon," Longo said, "we will examine institutional jurisdictional questions, the problems of justice, of referendums of the "real law on law and order, etc."

The PCI's Signorile said that today's meeting with Andreotti served "to pinpoint seven, [as received] points of economic policy which must be examined in-depth, using as a starting point the work document drafted by party experts on January 4.

The PCI's Chiaromonte and Napolitano stressed the need for (?stepping) up the negotiations."

#### PAPERS ASSESS CURRENT POLITICAL SITUATION

AN171800Y Rome ANSA in English 1520 GMT 17 Feb 78 AU

[Press review]

[Text] Rome, February 17 (ANSA)--Major Italian newspapers gave crucial weight to this morning's round of joint consultations between the six political parties involved in negotiations for the formation of a new Rome government in determining Premier-Designate Giulio Andreotti's chances of getting the job done. If not, most papers agreed that the government crisis would reach a "dramatic phase" that could conceivably lead the country to early general elections.

As Rome's liberal LA REPUBBLICA put it, delegations from the Communist (PCI), Socialist (PSI), Republican (PRI), Social Democrat (PSDI) and Liberal (PLI) parties [Christian Democrat Party (DC) omitted by ANSA], the same six parties that kept Andreotti's previous government in power, will be dealing this morning with all of the key political issues that the premier-designate was unable to iron out in his policy draft.



"Mortifying and dangerous", was LA REPUBBLICA's assessment of the situation as it now stands. "Some of the fundamental conditions of an agreement become more and more of a gamble as time goes by", the paper warned in an explicit reference to, among other things, the need to legislate new laws in time to prevent a referendum showdown on abortion and the "real" security bill in June.

(Ed. note: The Radical Party has successfully petitioned for referendums to repeal these laws and, according to the Italian Constitution, the plebiscites must be held within a specific deadline if parliament does not come up with new legislation to replace the bills in question).

The paper noted that the real issue at hand had become clear to everyone, "that the demand to set up a (government-backing) majority with the Communist Party is a condition for four of the six parties. If the DC does not respond favorably, debate on policy will not even start," it was noted. "Nor can the DC expect to withdraw once more and come up with another bungle" [as received], the paper added.

The Rome daily went on to note that Andreotti would like to represent the DC's last chance before the elections, but time is working against him. Responsibility for the situation was also pinned on the Italian President, who has a duty toward public opinion and toward the four parties who together account for much more than the DC's thirty-eight percent and themselves make up a parliamentary majority. "If the DC does not decide, Andreotti will be the one to pay the price," the paper commented.

Turin's LA STAMPA dwelt on the "heavy" atmosphere surrounding today's collective political talks, commenting in part: "The issue is whether or not the DC can give in a little bit more. It is not a question of who is right or wrong. On the contrary, it may be agreed that certain distinctions are absurd."

The paper went on: "It would be a tough job to explain what the difference is between a vote of confidence in government (?policy) and a parliamentary majority. But the [word indistinct] that the distinction seems to be useful to the party [word indistinct] as soon as internal dialectics appear [words indistinct] again all of a sudden, bringing new threats that the decision-making process will once more be crippled. This goes for Andreotti today and for any other Christian Democrat leader tomorrow."

The paper LA STAMPA editorial [began] by commenting that Republican Party leader Ugo La Malfa was right in saying that "if there has to be a breakdown, (?let) it at least be (?over) a question of policy, of remedies for emerging from the crisis... the (?voters) would at least understand it better. But, if, as it appears, there (?is) no insurmountable difference over the form, failure to reach a compromise would merit a severe judgment." LA STAMPA concluded.

Rome's leftist PAESE SERA did not find the Communist and Socialist parties harsh judgment of Andreotti's policy proposals surprising.

The nation's employment situation and economy are in bad shape, the paper noted, and (?higher) taxes and public service rates will be necessary. The unions have [words indistinct] bear the weight of "coherent and courageous stands," only asking the political powers for an adequate policy and behavior.

The leftist parties cannot disregard [words indistinct] if they wanted to lend themselves to the ambiguous games and policy stand of the DC. [word indistinct] could hardly [words indistinct] a government that would go headlong into a war with the labor movement.

The paper concluded by noting that the (parties) were not taking a hard-line stand for the sake of provoking a breakdown, [words indistinct] asking the DC "(to assume the) choices and behavior to the crisis of nation and the [words indistinct] for coping with it require."

Milan's IL SIGRNO reported that Am. Scotti will (begin) checking out the possibilities of moving forward (?toward) talks with all six parties today.

He has already taken [word indistinct] to specify that the document he submitted to them yesterday was not a regular government policy platform, but a sort of negotiable set of indicative guidelines.

The issue at hand, however, is not merely to (decide) what ingredients have to go into the pie, the paper noted. The question is the same as it was on the day of the break with the PCI on [words indistinct]...neither of which were willing to go further than a certain point.

#### ZACCAGNINI OPEN LETTER DISCUSSES DC POLITICAL ROLE

AUI71943Y Rome ANSA in English 1900 GMT 17 Feb 78 AU

[Text] Rome, February 17 (ANSA)--"Dirty linen should be washed in private" is the gist of an open letter Christian Democrat Party (DC) Secretary Benigno Zaccagnini has written to a group of deputies of his party. The letter was published in the latest issue of the DC ideological weekly LA DISCUSSIONE.

"When dissent is at a high point and conflicting opinions concern basic choices," Zaccagnini said, "it is necessary that contributions and interventions, even if they derive from opposite directions, ...do not create pretexts...for the speculation of our adversaries."

Zaccagnini's stems [as received] from another open letter sent to him two weeks ago by a group of DC deputies who appealed to him to continue with the policy of "things which must be done." "When you stress the statistics of youth unemployment, of the underuse of the industrial apparatus, of the public deficit and tax evasion," Zaccagnini said, "you open the eyes of those who refuse to see, to understand, to hear that a party such as the DC, which with its relative majority is the largest and most representative 'sample' of Italian society, has the duty to bear the drama, the tumult and the suffering of our country."

Zaccagnini stressed that the party must accept and win the challenge, "which it is not rhetorical to define as historical...on the things which must be done," a challenge which imposes "the continuation of unresolved problems and the emergence of new urgent needs."

Zaccagnini added that the only limit which we must give ourselves is the one beyond which the DC "would cease to be itself and by so doing it would not longer offer the country the reference point we consider indispensable. On this side of that limit (which we would have crossed had we accepted the historic compromise yesterday, a government with the communists today), our specific duty," Zaccagnini concluded, "is not to think about the prize of contemporaneous elections (which would perhaps give us more votes but not enough to unblock the situation), but to serve the country."

## PCI OFFICIALS MEET WITH ZANU DELEGATION LED BY MUGABE

LD161153Y Rome L'UNITA in Italian 11 Feb 78 p 13 LD

[Unattributed report: "PCI Meeting with Zimbabwe African National Union (ZANU) Delegation"]

[Text] Rome--A ZANU delegation led by Robert G. Mugabe, cochairman of the Zimbabwe Patriotic Front and ZANU chairman, and composed of Deputy Chairman Simon V. Muzenda, International Bureau Secretary M.M. Muzizi, and Secretary to the Chairman I. Muzenda, was received yesterday at PCI Directorate headquarters by PCI Secretariat member Conrade Anselmo Gouthier and Central Committee member and Foreign Section Deputy Chief Antonio Rubbi.

During the meeting there was a broad exchange of information and opinions on the situation in southern Africa. In particular the ZANU delegation reported on the Zimbabwe (formerly Rhodesian) Patriotic Front's struggles and initiative for the Zimbabwe people's freedom and independence from colonialism and racism.

For their part, the PCI representatives confirmed the Italian Communists' full and active solidarity with the struggle which the Patriotic Front is waging against Ian Smith's racist regime and more generally the struggle in which the patriotic and people's forces of all southern African countries are involved against racism and oppression, for independence and freedom. The ZANU delegation also met with Foreign Ministry Under Secretary Luciano Radi.

## PCI RELEASES STUDY ON POLITICAL TERRORISM

AUI71642Y Rome ANSA in English 1545 GMT 17 Feb 78 AU

[Excerpt] Rome, February 17 (ANSA)--The Italian Communist Party (PCI) has released a set of findings showing that some 10,000 [as received] "terrorists" were on the loose in Italy today. A study by the Communist Party's "Problems of the State" line on political violence showed that 700-800 "terrorists" were currently operating clandestinely and the number rose to 1,000, if armed extremists involved in sporadic assaults were counted.

The findings, given front page place in today's issue of Milan's wide-circulation *COMPTERRE DELLA SERA*, also showed that political crimes in 1977 were close to double the number of the previous year. There were 1,198 such incidents in 1976 as compared with 2,315 last year. Fifty-two percent of these assaults were waged in Italy's three major cities, 29 percent in Rome, 24 percent in Milan and 10 percent in Turin.

21 Feb 78

UNITED KINGDOM

41

OWEN TO VISIT ISRAEL, OTHER MIDDLE EAST COUNTRIES

12171458Y London PRESS ASSOCIATION in English 1330 GMT 17 Feb 78 LD

(Text) Foreign Secretary Dr David Owen is to visit Israel and other countries in the Middle East in the next week or so, the Foreign Office confirmed today.

The Foreign Office refused to give details of the visit, or the names of other countries that will be visited until all the arrangements have been completed. [Words indistinct] invitation to visit Israel Dr Owen has already visited Egypt and the spokesman said that it was not intended to visit that country again on this occasion.

Observers noted that the visit comes at a vital juncture in attempts to re-establish the momentum of the Middle East peace initiative.

Dr Owen accompanied Mr Callaghan at talks in London with President as-Sadat of Egypt last week.

Official sources said today that it was after that meeting with President as-Sadat that arrangements were put in hand for Dr Owen to visit Israel. The sources said that Dr Owen will spend three days in Israel from about the end of next week. He will have talks with Israeli Prime Minister Mr Menahem Begin and Foreign Minister Mr Moshe Dayan.

President as-Sadat identified the two main obstacles to the peace initiative as Israeli settlements in the occupied territories and the question of self-determination for the Palestinians. These issues are expected to figure high in Dr Owen's talks.

LIVINGSTONE IN LONDON FOR TALKS WITH OWEN

12171458Y London PRESS ASSOCIATION in English 0022 GMT 18 Feb 78 LD

Black nationalist leader, the Rev Ndabaningi Sithole, flew into London last night and dismissed the claim by guerrilla leader Joshua Nkomo that he had "sold out" Africa.

Mr Sithole is in London for talks with Foreign Secretary Dr David Owen on Monday.

Speaking at Heathrow Airport on the constitutional agreement reached last week, Mr Sithole said: "I regard the present settlement as the biggest achievement in Zimbabwe since 1870. At no time have blacks and whites come so close together."

Mr Sithole said: "It is not an achievement when you get blacks and whites to come to an agreement."

In reply to Nkomo's accusation that he had sold out Africa, Mr Sithole said: "It is not true. It's a blatant lie."

Mr Sithole said: "I will go up and down the country and am in constant physical contact with the people. I know what the people of Zimbabwe want."

Mr Sithole said: "Nkomo and Mr Mugabe have no support left in Zimbabwe. They are looking for support from outside the country."

## Optimistic Over Rhodesian Settlement

LD181600Y London PRESS ASSOCIATION in English 1425 GMT 15 Feb 78 LB

[Text] Black leader the Rev Ndabaningi Sithole said in London today he was "quite optimistic" that the British Government would accept the constitutional agreement reached last Wednesday between Rhodesia's Ian Smith and moderate nationalist leaders including himself. Mr Sithole is to have talks with Foreign Secretary Dr David Owen on Monday.

He said at a press conference that the agreement, which he expected to be signed by the middle of next month, was accepted by the majority of the people of Zimbabwe (Rhodesia) as "a legitimate solution to the problem."

The agreement provided for an interim government which would deal with the question of a ceasefire, the release of political detainees; the delineation of constituencies and the registration of voters.

"There are many dangers still facing us," said Mr Sithole. "Some people do not believe that Mr Smith has accepted the fundamental principle of one-man-one vote."

"This may be so, it may be not, but I am satisfied we are moving in the right direction. I believe that what is happening now in Zimbabwe will change the course of history and bring freedom to the country."

Mr Sithole said the Anglo-American proposals for a Rhodesian settlement had been useful to him in the negotiations with Mr Smith and Britain would have a role to play--as yet undefined--in the future.

Asked about guerrilla activities within Rhodesia, Mr Sithole described as "most unfortunate" the threat by Joshua Nkomo to "step up the war" being waged on by Patriotic Front forces.

He was confident that ZANU guerrillas inside Rhodesia would remain loyal to him when he asked them in due course to stop fighting.

Mr Sithole said some people had been critical of the large number of whites on the proposed national assembly--"but that number of whites was the purchase price of our independence." "Broadly speaking we like what is happening," he added. "What is important is that we feel we shall be able to achieve our objective of transferring power from the white minority to the black majority."

Mr Robert Mugabe, president of ZANU and co-president of the Patriotic Front, in a statement issued today through the front's office in London, said the constitutional agreement was "a treacherous deal entered into by reactionary forces."

"We regard this conspiratorial deal as of no consequence and refuse to take any notice of it..." he added.

The deal had brought Mr Sithole and his fellow leader Bishop Abel Muzorewa "clearly into the enemy camp and accordingly transforms them from mere political opponents into principal enemies alongside Ian Smith."

Mr Mugabe added: "Our war will continue to escalate."

## PALESTINIANS KILL EGYPTIAN JOURNALIST AS-SIBA'I

## Report on Nicosia Killing

NC181557Y Nicosia Domestic Service in Greek 1506 GMT 18 Feb 78 NC

[Reportage on murder of AAPSO Secretary General as-Siba'i at the Hilton Hotel in Nicosia on 18 February]

[Excerpts] Gunmen carried out an attack at the Hilton Hotel in Nicosia at 1120 this morning. Those attending the session of the AAPSO presidium were unaware of their presence until gunmen entered the hall after they had already mortally wounded the organization's secretary general, Yusuf as-Siba'i. Mrs Sofia Tsimillis, who was attending the session as the representative of the Women's International Democratic Federation [WIDF], had this to say in an interview with our correspondent:

[Begin recording] The session had started and about three delegates had spoken, when suddenly we heard a noise. We did not realize that it was a shot; this was followed by another two shots. I, at least, didn't realize that they were shots. [end recording]

As to what happened after the gunmen had entered the hall where the session was being held, Mrs Tsimillis said:

[Begin recording] There were two of them; when we left the hall there were two, we saw two, one in front and the other behind us, and they took us into the coffee shop. They closed the doors and one of them started speaking in Arabic. He told someone to translate and someone started to translate into English. He started saying: We are Palestinians, we are struggling, we are suffering because of Israel's aggression, we have no homeland, etc. I didn't understand anything more or what they wanted. I just didn't understand what they wanted. [end recording]

## Kiprianou Condemns Murder

NC181630Y Nicosia Domestic Service in Greek 1600 GMT 18 Feb 78 NC

[Text] A short while ago, President of the Republic Kiprianou made the following statement: I condemn with abhorrence the dreadful crime committed today in Cyprus. The murder of the secretary general of the Afro-Asian movement, As-Siba'i, is a heinous crime that every civilized man should condemn. It is terrible that one of Cyprus' greatest friends has been murdered in Cyprus. We are deeply grieved that such a terrible crime has been committed in Cyprus. Criminal elements, regardless of where they come from, that perpetrate such acts of violence and terrorism have no place in civilized society. We would like to express to the president, the government and the friendly people of Egypt the most sincere condolences of the Cypriot people, their government and myself personally.

## Kiprianou Cables As-Sadat

NC181831Y Nicosia Domestic Service in Greek 1730 GMT 18 Feb 78 NC

[Text] President Kiprianou has sent the following cable to Egyptian President as-Sadat: I have been shattered by the news of the tragic death of our dear friend Yusuf as-Siba'i, a firm and faithful friend of the Cypriot people. His death is a great loss for all peoples of the world who love freedom, justice and peace. With the death of As-Siba'i we have lost a champion of these principles and ideals. The people of Cyprus, my government and I personally condemn vehemently this abominable murder. Please accept, Mr President, and convey to As-Siba'i's family our deep and wholehearted condolences.

## Larnaca Commando Attack Unauthorized

77192035Y Nicosia Domestic Service in Greek 2020 GMT 19 Feb 78 WC

(Special news flash)

[Text] It has just been officially announced that at the same time that it had been agreed that the two armed assassins of Yusuf as-Siba'i would surrender to the authorities and that the hostages would be released, Egyptian commandos attacked the Cyprus Airways plane at Larnaca airport. The commandos carried out this action without the permission of the government and despite the warning that had been given by the president of the republic himself. The Egyptian commandos had come to Cyprus in a military transport plane which was alleged to be carrying an Egyptian minister. During their attack they indiscriminately fired in all directions and hit the control tower where the president of the republic and members of the government were.

The president of the republic was in danger, but is now safe in Larnaca with the government. He will make a statement later tonight. The hostages have already been released while the armed culprits have surrendered to the Cypriot authorities.

## Kiprianou Statement on Incident

12200116Y Nicosia Domestic Service in Greek 2358 GMT 19 Feb 78 WC

(Report on President Kiprianou's 19 February statement--read by announcer)

[Text] I feel it is necessary to strongly condemn the Egyptian action which took place at Larnaca airport today and which violated the sovereignty of the Cyprus state. The events are as follows: When no country accepted the Cyprus Airways plane which was carrying the two assassins of As-Siba'i and their hostage, we agreed--or rather we asked--that the plane be returned to Cyprus so we could negotiate and exert every effort to release the hostages and arrest the two assassins. After various consultations, the pirates agreed to this and the plane arrived at Larnaca shortly before 1800 today.

In the morning I had several contacts with state leaders and I had a special telephone conversation with Egyptian President as-Sadat whom I briefed, after first expressing my deepest grief over the assassination of As-Siba'i. I told Mr as-Sadat that the plane was returning to Cyprus following new arrangements and I would take full responsibility for the matter as head of the Cyprus state. Mr as-Sadat agreed to this and thanked me.

The plane arrived in Cyprus, President Kiprianou said, and at about the same time permission was requested from the airport authorities for the landing at Larnaca airport of an Egyptian aircraft which, as it was put, was carrying one member of the Egyptian Government, the minister of culture, to follow up efforts for the release of the hostages. When the plane landed it was ascertained that there was no minister on board but that a large number of commandos were on the plane. We repeatedly drew the attention of both the Egyptian ambassador here and the military attache to the situation, warning them that we did not appreciate their involvement in a question which we in the Cyprus Government were handling responsibly.

The interior minister will give you a fuller picture as far as the warnings are concerned. On this occasion, I would like to congratulate him on the task he has accomplished; I would also like to congratulate the commander of the National Guard, the chief of police and the men under their command.

In any event, Mr Kiprianou added, we warned them not to proceed with any action and they promised that they would not carry out any action without our consent. In the meantime, the negotiations with the hijackers continued and were concluded and they agreed to release all the hostages and surrender themselves to the Cyprus authorities. The authorities intended to arrest them and bring them to justice since the crime was committed here. Just as the agreement was about to materialize, President Kiprianou said, a jeep drove out of the Egyptian plane and at whirlwind speed rushed toward the Cyprus Airways plane and started shooting at it. I am sorry to say that one burst hit close to the control tower where I was handling the matter. Following all this, Mr Kiprianou went on, the state security forces were compelled to intervene to restore order and the sovereign rights of the state. Needless to say the Egyptian action was also one which is contrary to the latest UN resolution on this kind of incident, that is, foreign countries cannot intervene in the sovereign right of the UN member countries in which such incidents occur. The responsibility, rests with the sovereign state.

We are very sorry about the casualties. On the Cyprus side there were seven persons wounded. As for the Egyptian side, I cannot yet announce any figures. We are very sorry about the casualties, but the whole responsibility rests with the Egyptian side. I do not want relations between Cyprus and Egypt to be shaken. We will do everything possible to prevent these relations from being shaken. We cannot but protest most strongly against this action. I convey to all relatives of the victims--Cypriots and Egyptians--our sincere sympathies. We have been most deeply grieved, Mr Kiprianou said, because Egypt ignored one fact: that Cyprus has many problems itself and Egypt should not create additional problems of this kind. Egypt, a country with which Cyprus is linked with so many old and close ties, should not have used this method and action which it carried out today. Despite all this, President Kiprianou concluded, on our side at least we will exert every effort to restore normalcy.

#### Kiprianou, Ghali Statements

TA201816Y Nicosia Domestic Service in Greek 1730 GMT 20 Feb 78 TA

[Text] This afternoon President Kiprianou received Egyptian Deputy Foreign Minister [title as heard] Mr Butrus Ghali, with whom he discussed for 3 hours the situation created after last night's incidents in Larnaca. After the meeting, the president told journalists:

[Begin recording] We have exchanged views on the tragic incidents which took place in Larnaca last night and we shall continue our consultations.

[Question] When Mr President?

[Answer] Within the next 2 or 3 weeks.

[Question] On what level will consultations be carried out?

[Answer] Through diplomatic channels and possibly through a new envoy.

[Question] Will the Egyptian deputy foreign minister now return to Egypt?

[Answer] Yes. He is leaving soon.

[Question] Can we say that relations between Cyprus and Egypt have been restored?



[Answer] More details on the matter will be given to you at tomorrow's press conference.

[Question] Is there a possibility of a meeting between yourself and President as-Sadat?

[Answer] No. At the moment there is no question of such a meeting. [end recording]

On the other hand, Mr Ghali stated:

[Begin recording] [Ghali--in English] May I say that we will have further consultations on this tragic incident. There is no other comment. [end recording]

A reporter asked Mr Ghali the following question: Mr Ghali, we know you as a friend of Cyprus. Did you come to Cyprus as a friend?

The Egyptian minister said:

[Begin recording] [Ghali--in English] I have no comments to make. The only thing, I just want to say that we will have further consultations on these tragic events. Thank you. [end recording]

#### Assassins' Hearing Set

NC201040Y Nicosia Domestic Service in Greek 1000 GMT 20 Feb 78 NC

[Text] The Nicosia district court has set 27 February as the date for the preliminary hearing of the case of Samir Mohammad Qatar, aged 28, from Jordan, and Layid Husayn Ahmed al-'Ali, aged 26, from Kuwait, who were charged today with the premeditated murder of Yusuf as-Siba's last Saturday. The accused will remain in custody until the date of the hearing. The senior counsel of the republic, Mr Michalakis and Phimitrios Charalambidis, appeared for the republic. The accused appeared before the court without a lawyer because they said they are prepared to defend themselves. The authorities took strict security measures when the accused were taken to court. The accused were taken to prison after their arrest at Larnaca airport yesterday.

#### Egyptian Commandos To Leave

TA201736Y Paris AFP in English 1712 GMT 20 Feb 78 TA

[Excerpt] Nicosia, Feb. 20 (AFP)--Survivors of an Egyptian commando group which fought a pitched battle with Cypriot troops at Larnaca airport last night while trying to rescue hostages aboard a hijacked plane are to be flown back home late today, it was announced here today.

Cyprus today agreed to the commandos' repatriation after a 3-hour meeting between Cypriot President Spiros Kiprianou and Egyptian Minister of State for Foreign Affairs Boutros Ghali, who arrived here earlier today.

President Kiprianou and Mr Ghali said that they had reviewed last night's tragic events. The two countries were to hold further joint consultations in the coming weeks.

Informed sources said that the meeting between President Kiprianou and Mr Ghali took place in a stormy atmosphere and that the two sides were on the verge of breaking diplomatic relations.

Meanwhile a bus was already standing by at Larnaca police station to transport the Egyptian commandos to the British base at Akrotiri, southern Cyprus, where the Egyptian plane which flew in Mr Uhalí was to repatriate them.

But informed sources said that British authorities--which have sovereignty over Akrotiri under a 1959 agreement with Cyprus--would prevent the Egyptian commandos from taking their weapons aboard the plane.

#### AKEL Raps Egyptian Leaders

NC201207Y Nicosia Domestic Service in Greek 1130 GMT 20 Feb 78 NC

[Text:] AKEL has issued a statement in which it describes the incidents at Larnaca airport last night as an aggressive action by the Egyptian leadership, whom it condemns. AKEL holds the Egyptian leaders fully responsible for the terrible bloodshed and for any repercussions in the friendly relations between Cyprus and Egypt. It also approves of the Cyprus Government's action to hit the Egyptian commandos since they violated the sovereignty of the Cyprus territory and ignored repeated warnings by the Cyprus authorities. In conclusion, it notes that the answer to the continuing imperialist conspiracy against Cyprus and to the Turkish invasion is the strengthening of the patriotic and anti-imperialist unity of the people, vigilance, defense of the entity of the Cyprus state and the internationalization of the Cyprus issue.

#### Interior Minister's Press Conference

TA202004Y Nicosia Domestic Service in Greek 1500 GMT 20 Feb 78 TA

[Text] In a press conference given at the Public Information Office, Minister of Interior and Defense Veniamin replied to questions put to him by Cypriot and foreign journalists in connection with the incidents at Larnaca airport last night.

Asked about the number of casualties and the damages at Larnaca's airport from last night's incidents, Mr Veniamin said:

[Begin recording] We have six Cypriot casualties in the National Guard and the police. We also have another person, seriously injured, from the airline. Casualties among the Egyptian forces are 15 dead and 16 injured. It seems that damage was caused to at least two Cyprus Airways aircraft. One of the two is the one the gunmen were on, which was hit by fire from the Egyptian commandos, and the other aircraft damaged is the one that was near the Egyptian aircraft and in the midst of the crossfire. However, I could not say how extensive the damage of the two aircraft was. Of course, the airport terminal was also damaged, the buildings and so on, but I am not aware of any details yet.  
[end recording]

Replying to a question about when Larnaca airport will be reopened to traffic, Mr Veniamin said:

[Begin recording] As soon as we are assured that the area has been cleared and that the use of the airport is safe. [question from unidentified correspondent] A foreign news agency carried frightful reports by its correspondent, that is, REUTER's correspondent, on the incidents of last night. Actually he referred to National Guardsmen, who in the presence of journalists, allegedly executed Egyptian commandos. Did these things really happen? If not, what measures have been taken? Because this is unheard of.

[Veniamin] Exchanges of fire took place in the presence of many people and no person of good faith can believe such lies. The National Guard never at any time fired at an Egyptian soldier to kill. It is simply that those who were killed died during exchanges of fire at no specific target. Furthermore, all [the injured] Egyptian soldiers were taken care of and our soldiers more or less considered them as a nonenemy force. [end recording]

Asked if the Cypriot Government had authorized the action of the Egyptian commandos, the minister said: [Begin recording] No. The Cypriot Government did not authorize this action. The Cypriot Government was informed by the Egyptian Government that an aircraft was due to arrive carrying a member of the government, the minister of information and culture, who would try to come to some understanding with the Cypriot Government on the question of the two criminals. It was only after the plane had landed that we finally discovered it was carrying commandos. We did not permit them to leave the plane and I made clear to the military attache of the Egyptian Government that under no circumstances would the Government of Cyprus allow the commandos to leave the plane nor allow them to undertake any action within Larnaca airport. That was also made clear to the Egyptian ambassador. I made it quite clear that the Government of Cyprus would react if any action were attempted within our airport without our approval and consent. Both the military attache and the Egyptian ambassador knew quite well what forces we had in the area--which were limited--because they were there and could see them, because they were free to move about in the airport. Despite our warning that the president of the republic had closed the matter and that the two criminals had agreed to release the hostages and the plane's crew and to surrender to the Cypriot authorities, they swiftly moved and attacked the aircraft with the hostages on board.

[Question from unidentified correspondent] Mr Minister, from what you know, what was the objective of the action undertaken by the Egyptians?

[Veniamin] I believe that they were aiming at capturing the two criminals and transporting them to Egypt. [end recording]

Mr Veniamin was also asked at what time the Cypriot Government found out that the Egyptian aircraft with the commandos on board was flying towards Cyprus. He said-

[Begin recording] We were informed that the plane was coming. When I arrived at Larnaca airport the plane had already landed. Naturally, we found out that the plane carried commandos and not the minister of information when the plane landed.

[Question from unidentified correspondent] During negotiations, did you agree to give the two terrorists Cypriot passports?

[Veniamin answer indistinct]

[Question from unidentified correspondent] What exactly were the orders given to the National Guard in the event the Egyptians began action and who gave the order to open fire?

[Veniamin] The decision of the Cypriot Government was to bring the two criminals before the Cypriot courts after they surrendered, as it did today. This is in accordance with Cypriot law. Opposing the Egyptian commandos was a decision made by the government. Of course I conveyed the government's decision in my capacity as the competent minister. I made it clear to the Egyptian envoys present that under no circumstances we would allow even one soldier to destroy an aircraft.

[Question from unidentified correspondent] Mr Minister, the Egyptian Government announced today that its policy will be to strike terrorists in any foreign territory except on Egyptian territory, and, in accordance with this position it intervened yesterday. Had Egypt made any similar threat against the Cypriot Government? That is will it intervene to retake the two terrorists?

[Venizelos] No. No threat has been made. But of course if such statements were made, you realize what would happen: if every country--the interests of which are touched by the interests of another country--intervenes in the territory of the latter to put things in order, international law would not exist and we would turn the world into a jungle.

[Question from unidentified correspondent] Is the Government of Cyprus to return the dead and the injured and the [word indistinct] to the Egyptian Government? With the exception of the two criminals, of course.

[Venizelos] Yesterday's incidents at Larnaca's airport were of the most tragic nature. We are linked with Egypt by ties of many decades and Egypt has always been one of the most friendly countries. Despite yesterday's event we still consider Egypt as a friendly country. Indeed, we were very grieved yesterday watching our children coming to an armed clash with the children of Egypt. I visited the hospital and saw some--almost all--the injured Egyptians. I assure you that these children--among whom was the deputy commander of the unit that came to Cyprus--were feeling the same thing. Replying to your question, my answer is that all the soldiers will depart as if nothing had happened, including the wounded and dead. Simultaneously we shall return the weapons of the commando unit to the Egyptian Government.

[Question from unidentified correspondent] Does the denunciation made by the Cypriot Government to Er Waldheim have the meaning of a denunciation [words indistinct] or have we called for measures to prevent [words indistinct] on the same matter from the Cypriot Government's point of view?

[Venizelos] We have not denounced anything to the secretary general. He was just briefed on the facts.

[Question by unidentified correspondent] Have any contacts been made between the governments of Egypt and Cyprus? Is there any understanding on the whole matter?

[Venizelos] Both yesterday and today, I believe, we had contacts through our ambassador in Cairo.

[Question by unidentified correspondent] Mr Minister, [words indistinct] between the Cypriot Government and the Palestinians to (hand over) the terrorists to the Palestinians?

[Venizelos] There is no agreement of the sort. I was told that similar facts have been reported by the Egyptian radio. I am not aware whether this information is correct, but if the reports are in accordance with the information passed on to me they do not conform with the truth. [end recording]

Asked his opinion of the Egyptian commandos, the minister said:

[Begin recording] I would not like to call them an enemy force. I would like to say that they are people involved in an unpleasant, very unpleasant and sad incident and I should be very glad to see them return to their country without labeling them.

[Question from unidentified correspondent] I would like to ask if it was learned whether the two assassins had any contacts in Cyprus before the murder and with whom?

[Veniamin] Information on the matter is not available. Investigations are being carried out, and we have ascertained that originally the party consisted of three persons. One of them left Cyprus a day before the crime. The police are investigating the whole matter and I hope that within the next week we shall be able to have more details on the matter.

[Question from unidentified correspondent] Mr Minister, [words indistinct].

[Veniamin] The two assassins were in possession of passports. One of them was a Kuwaiti passport and the other an Iraqi one. The third person, who left Cyprus a day before the day of the murder, had a Jordanian passport.

[Question from unidentified correspondent] (?Did you find out) how these two terrorists entered Cyprus?

[Veniamin] They entered Cyprus like any other foreign tourist, without creating any suspicion. [end recording]

Asked if, after yesterday's events at Larnaca's airport, the Cypriot Government contemplated asking for the recall of the Egyptian ambassador and the Egyptian military attache, Mr Veniamin said:

[Begin recording] The president of the republic, through our ambassador in Cairo, yesterday asked for the recall of the military attache.

[Question from unidentified correspondent] As regards their weapons, did they bring them from abroad or obtain them here?

[Veniamin] They brought them with them.

[Question from unidentified correspondent] Does the government intend to take stricter security measures for people entering Cyprus after yesterday's events?

[Veniamin] Yes. We intend to take stricter security measures. However, this does not mean that we shall be able to prevent assassins from entering Cyprus, because I doubt whether any country in the world could prevent this. Especially, in countries which, in accordance with international agreements, entry is free without any visa.

[Question from unidentified correspondent] Mr Minister, from the information you have received so far have you ascertained whether these two [terrorists] acted in collusion with or on orders from any organization? Or were they acting on their own?

[Veniamin] They maintain that they were acting independent of any organization. Personally I believe that they have some such connection, but same information I have on the matter I have not been able to verify.

[Question from unidentified correspondent] Does the government intend to speed up the procedure of the trial of the two assassins? And what are its intentions in connection with the court's decision?

[Veniamin] The trial will be held as soon as possible. No decision has been made, but I repeat that the trial will be held as soon as possible. What will happen afterwards is a matter which we shall study after the court passes its sentence.

[Question from unidentified correspondent] (?Could you inform us) about the release of the hostages?

[Veniamin] We instructed the hostages to leave the plane and go to the airport buildings. That is what happened. They came out in groups and walked to the airport buildings without further incidents.

[Question from unidentified correspondent] The gunmen had already been arrested by the police. As regards the collusion of the two terrorists, do you exclude the possibility of their being connected with a government? And my second question is: Do we know where they boarded the plane that brought them to Cyprus?

[Veniamin] Since I have no information in connection with your first question, I am not in a position to answer you. However, as regards your second question, yes, it is shown in their passports, but at the moment I am not aware of from where they arrived in Cyprus.

[Question from unidentified correspondent] Does the fact that the two criminals were brought before the court today mean that the Cyprus Government has rejected Cairo's request for their extradition to Egypt?

[Veniamin] In accordance with the laws in Cyprus and, I believe, under the laws of every sovereign state, a criminal is tried in the country where he has committed the crime. [end recording]

Replying to another question, Mr Veniamin also said that the Egyptian commando unit consisted of 74 men.

#### Lissaridhis on Mediation With Kidnapers

NC200608Y Nicosia Domestic Service in Greek 0020 GMT 20 Feb 78 NC

[Text] Mr Lissaridhis, who had undertaken to mediate between the government and the two armed men, has stated:

As you know, As-Siba'i's assassins had insisted that they had to come into contact with the Cyprus Government as a result of my mediation. There had been reports that things were not very safe because there were no countries left that would accept the commandos and that it was possible that the commando would ask for more hostages to be added to the ones they already held. The president of the republic and I had many reservations as to whether such an operation should be undertaken.

But after contacting the pilot of the aircraft and those inside the aircraft, Mr Lissaridhis said, it was deemed necessary for me to get into contact with the commandos, one of whom would have left the aircraft, with his gun, so that we could negotiate the fate of the hostages. Actually I went there twice and had contacts both with the first and the second assassin. We reached a clear understanding that they would release all the hostages and surrender to the Cyprus Government, which would then be responsible for all that happened afterwards, after handing over their arms and also after allowing a police unit to approach the plane to receive both the hostages and the kidnapers.

All this, Mr Lissaridhis said, was explained to the Egyptian Government through the Egyptian ambassador and the military attache, who the first time that I went over there came close in his car and put my own life in jeopardy as well, because it was only natural that they could have thought that the whole business was a trick. In spite of this I also went there a second time even though I had been warned by some friends, who are diplomats, that an operation by Egyptian commandos was imminent, and I must say that this time the objections to my going there were much stronger. Nevertheless, the EDEK chairman added, because it was the government's decisions that the whole matter should be brought to a close at all cost and that it should be concluded in the best possible way, we again went there and achieved these good results. That is why I cannot understand the Egyptian Government's action which was totally unacceptable.

I would like to take this opportunity, Mr Lissaridhis concluded, to say how much I appreciate the manner in which the president of the Cyprus Republic handled the matter: with dignity and calm as truly befits the president of a small but proud country, in handling a matter like this.

#### Larnaca Airport Reopened

NC210811Y Nicosia Domestic Service in Greek 0900 GMT 21 Feb 78 NC

[Text] It has been officially announced that the Larnaca international airport has resumed operations as of this morning.

#### TA NEA on Cyprus-Egyptian Talks

NC210642Y Nicosia TA NEA in Greek 21 Feb 78 pp 1, 8 NC

[Excerpt] The Cyprus-Egyptian dispute still continues. The long talks of President as-Sadat's envoy, Egyptian Minister of State for Foreign Affairs Butrus Ghali, with the Cyprus Government have been fruitless. Everything in Cyprus spells out crisis and tension because the two sides are firmly sticking to their positions.

The Egyptian official, who is considered as-Sadat's right-hand man, has set a condition for the full restoration of relations with Cyprus of the handing over of the assassins of Yusuf as-Siba'i to Egypt. However, the Cyprus Government stands firm on its original position regarding the assassins of As-Siba'i. It has been learned in this respect that it has been made clear to the Egyptian official that they will be taken to court, because they were involved in an incident that took place on Cypriot territory and justice will be administered in Cyprus. According to appraisals by political observers, no common points seem to have come up during the 3-hour talks between Kiprianou and Butrus Ghali, but it is believed that the dispute between the two sides has now been shifted to the diplomatic field, although nothing can be ruled out.

#### TPSC Opposition on Incident

NC210838Y Nicosia BOZKURT in Turkish 21 Feb 78 p 1 NC

[Excerpts] Lefkosa [Nicosia]--TAK [TURKISH NEWS AGENCY CYPRUS]--speaking during yesterday's session of the federated assembly, the leader of the Communal Liberation Party, Alpay Durduran, referred to the armed clash which took place on Sunday at Larnaca airport between the Greek Cypriot National Guard and the Egyptian commandos. Durduran said: We cannot come out in favor of the Egyptian Government.

On the issue Durduran said this in brief:

Foreigners must not be allowed to intervene in Cyprus. Cyprus belongs to the Turks as much as to the Greek Cypriots. We cannot come out in favor of the Egyptian Government. If we do, we will lose our rights over the southern part of Cyprus. The fact that there has been a military operation against Cyprus gives the right to the guarantor states to speak out.

#### Orek Charges 'Plot'

TA201745Y Bayrak Radio [Clandestine] in Turkish to Cyprus 1630 GMT 20 Feb 78 TA

[Text] Osman Orek, president of the Turkish Cypriot federated assembly, has said that the Egyptian commandos killed at Larnaca airport yesterday night were probably the victims of a plot. Orek added that given the possibility that our brothers were the victims of a plot, we are following developments with sensitivity.

In a statement to ANATOLIA agency this evening, Orek said that the assassination of AAPSO Secretary General Yusuf as-Siba'i, who was a very distinguished person, has greatly grieved the Turkish Cypriot community. He said: No matter what the cause, such assassinations are deplored by all peace-loving people. The deaths of our Egyptian coreligionists have equally grieved the Turkish Cypriot community. Given the possibility that our brothers were victims of a plot, we are following developments with great sensitivity. We extend our condolences to the families of the deceased.

Orek said that the Turkish Cypriot community, a member of the Islamic community which always favors brotherhood and cooperation, called on all brothers within the Islamic community, whether Egyptian or Palestinian, to receive this incident with a cool head and act accordingly.

Orek today telephoned the Egyptian ambassador in Lefkose [Nicosia] and expressed his grief and condolences over the killing of many Egyptian Moslems during the incident at Larnaca airport. Orek also expressed the wish that his condolences may be conveyed to the Egyptian Government, the people and the families of the deceased.

#### O ANEXARTITOS Scores American Behavior

NC200628Y Nicosia O ANEXARTITOS in Greek 20 Feb 78 p 12 NC

[Headline: "Disgraceful Attitude of Americans at the Airport"]

[Text] As a background to the gangster-like Egyptian raid at Larnaca airport, it is noted that American "tourists" also put in an appearance and, in addition to other things, insulted Cyprus for continuing to support the struggle of the Palestinians for freedom!

The disgraceful attitude of the Americans provoked the feelings of the people who were experiencing the mortal agony of the terrible moments of the slaughter.

Besides that, an employee of the American Embassy in Nicosia kept the American ambassador in Nicosia informed by phone from the airport on the progress of the raid.

#### Egyptian Reportage on Killing, Hijacking

For accounts and comments carried by Cairo media of the assassination of Yusuf as-Siba'i, the hijacking and subsequent events, see the Egypt section of the 21 February issue of the Middle East & North Africa DAILY REPORT.



KIPRIANOU LEAVES ATHENS AT END OF OFFICIAL VISIT

AT191229Y Athens Armed Forces Television Service in Greek 1200 GMT 18 Feb 78 AT

[Text] Cyprus President Spiros Kiprianou left for Nicosia at 1245 today--he has already arrived in the Cyprus capital--after his 5-day official visit to Athens. At Ellinikon airport Kiprianou was seen off by President Tsatos, Foreign Minister Papaligeouras, Cyprus Ambassador to Athens Kranidiotis and other officials. Prior to his departure Kiprianou stated that a broad review and reevaluation of the Cyprus problem was conducted during his visit and that a line was laid down for its further handling.

The Cyprus president stressed the complete identity of views and said that relations between Athens and Nicosia are excellent and will continue to be so. The Cyprus leader, Kiprianou continued, is entering a new phase and I want to state that we are ready for a speedy solution, for a solution based upon UN resolutions which will also guarantee the withdrawal of foreign troops and the return of refugees to their homes.

Unless there are proposals which will justify resumption of intercommunal talks, we will proceed to a long struggle. We are prepared for both solutions. Cyprus bases much on the support of all the Greeks and I believe that sooner or later Cypriot Hellenism will be justified.

GREEK-YUGOSLAV ECONOMIC TALKS TO START IN BELGRADE

AT191355Y Athens Domestic Service in Greek 1230 GMT 19 Feb 78 AT

[Text] Kondoyioryis, minister without portfolio in charge of EEC affairs, left for Belgrade this morning. He will confer on the preparation of the annual regular meeting of the Greek-Yugoslav Interministerial Joint Committee.

Aris Xipolitidhis reports on Kondoyioryis' departure and statement:

[Begin recording] Minister Without Portfolio Kondoyioryis left Athens for Belgrade this morning in order to confer on the preparation of the annual meeting of the Greek-Yugoslav Interministerial Joint Committee. He was accompanied by a delegation of officials from the ministries of coordination, foreign affairs and trade. The Greek delegation will remain in Belgrade until next Wednesday. [end recording]

Prior to his departure, Kondoyioryis spoke on the goals of his journey and said:

[Begin recording] As you know a Greek-Yugoslav Interministerial Joint Committee is functioning in order to handle economic relations between the two countries. The committee meets regularly once a year. This year the committee will meet in May or June. My visit to Belgrade is preliminary and we will discuss with my counterpart Popovski all issues which will be discussed by the conference.

[Question] Mr Minister, would you say that Greek-Yugoslav economic relations are at a satisfactory level?

[Answer] I think that they are at a satisfactory level. As you know the clearing-accounts between the two countries were abolished the middle of last year. Exchanges are now conducted with free foreign exchange, and they have reached an extremely satisfactory level.

... to be discussed during our meeting are the questions of road transportation and primarily the question of transit permits for trucks, for our transportation of goods to West European countries--and generally cooperation in the fields of electric energy. As you know there is also the question of transportation of fuel oil through Greece and Yugoslavia. This will also be discussed. Handling of this transportation problem will be one of the main reasons for my visit to Yugoslavia because it is of vital interest to Greece as well as Yugoslavia because Yugoslavia also has extensive transportation possibilities through Greece. [end recording]

--- WASHNET COMMENT: SUMMARY OF STRONG CYPRUS ARMY

AE161 60Y Athens 1 WASHNET in Greek 18 Feb 76 p 2 AT

[From the "Evening" column: "The Bull by the Horns"]

[Text] Cyprus Archbishop Khrystomas said that a strong, modern and excellently armed Cyprus Army must be formed. He explained that such an army would not be turned against the Turkish Cypriots "because they also have rights on the island and they reside in the same fatherland," but that it will be turned against the Turks who have occupied the island.

... He said that the archbishop's statement will create a sensation. It must not be overlooked, however, that the clergy of Cyprus has a centuries-old and brilliant militant tradition, that it has shed much blood and that in Makarios it embodies--during a critical period of the island's history--the desire of the people for liberty and independence. It is thus natural that this clergy should speak bravely and from the same bastion.

It is natural that the archbishop's statement also has political impact even though it is not expressed by the responsible Cyprus Government. It does, however, constitute a position supported by firm logic: "A people who are fighting must utilize all available possibilities. We are fighting against a strong foreign power which constitutes a constant danger to Cyprus. We will not capitulate but we will fight. In order to fight we need an efficient army."

The archbishop grasped the bull by the horns. For the past 4 years the people of Cyprus live like refugees in their own country. A 40 percent portion of the island's territory is occupied, through the strength of tanks, by a foreign country. The leaders of this country, instead of recognizing their intransigence and treating UN resolutions with contempt, they follow the tactics of faits accomplis and they are under the illusion that they will break the morale of the Cypriots and will force them to capitulation. At the same time they threaten with a new act of aggression for the conquest of the western island.

Under these conditions and so long as neither the UN resolutions are respected nor do the Greek leaders indicate any desire for a just and logical settlement, for restoration of unity and normality in the country, what remains? Capitulation is unthinkable. Unhonorable compromise is refused. The only thing which remains is resistance, preparation to deal with any eventual new danger. Simply and naturally the archbishop speaks the language and the heart of the people of Cyprus. Hearing his voice--which in any eventuality will be heard far and wide--many ought and must think, because any repetition of their and patience had its limits.

## ECEVIT, ERBAKAN MEET, DISCUSS DOMESTIC PROBLEMS

NC191215Y Ankara Domestic Service in Turkish 1100 GMT 19 Feb 78 NC

[Excerpts] Prime Minister Bulent Ecevit has called on Necmettin Erbakan, the leader of the National Salvation Party [NSP]. The meeting between Ecevit and Erbakan began in Erbakan's office in parliament at 0930 and lasted 1 hour 15 minutes. It was also attended by Oguzhan Asilturk and Suleyman Arif Enre, deputy leaders of the NSP parliamentary group.

In a statement after the meeting Prime Minister Ecevit said that he returned an earlier visit paid to him by Erbakan and that he briefed Erbakan in detail on the problems facing the government and on the planned solutions to these problems.

Speaking to reporters after the meeting Erbakan said that he gave Ecevit his views on certain important domestic problems. Pointing out that existing legislation has been blocking the development of the country, Erbakan said that he and Prime Minister Ecevit have exchanged views on the question of surmounting the legislative obstacles which are preventing the country's economic development. Erbakan said he believed that the parliament will be able to improve the legislation which prevents economic development and will take the necessary social measures within a short while.

## GUNAYDIN COMMENTS ON TURKISH TERRITORIAL CONCESSION IN CYPRUS

NC200853Y Istanbul GUNAYDIN in Turkish 19 Feb 78 p 5 NC

[Text] Ankara--special dispatch--It has been learned that the criteria to be used in making "border adjustments," which is one of the issues to be taken up at the Cyprus intercommunal talks, have been determined.

According to information obtained from Foreign Ministry officials, "Turkey--which holds 38 percent of Cyprus' territory--has decided to return 6 percent provided that an agreement is reached on certain issues. The Greek side, on the other hand, is demanding the return of Maras [Varosha] and Omorfo [Morphou] to enable 70 percent of the Greek Cypriot refugees to return to their homes.

The Cyprus strategy, which is being described as an "Ecevit plan," contains the following points on the question of border adjustments:

In view of the fact that the Turkish region is a narrow one, the new border to be drawn up must prevent the Greek Cypriots from establishing new outposts and must be of such a nature that it must not endanger the security of the Turkish region and Turkey.

The return of built-up areas, which would enable the Greek Cypriots to resettle in these areas en masse, has to be avoided.

The new border to be drawn up on the basis of the foregoing two principles must insure that the Turkish region can be defended by fewer personnel and less equipment.

A "border adjustment" in the Omorfo area is out of the question. In the event of an adjustment the area will strategically become narrower and thus will create a dangerous situation.

The old and new Magras [Pamagusta] towns will be declared as federal state zones and will come under the joint administrative organs.

## EUROPEAN PARLIAMENT SOCIALIST GROUP BEGINS CONTACTS IN ANKARA

TA201853Y Ankara Domestic Service in Turkish 1700 GMT 20 Feb 78 TA

[Text] The European Parliament Socialist delegation which arrived in Ankara on a 2-day visit has begun its contacts. The delegation, which is headed by Ludwig Fellermaier, European Parliament Socialist group leader and FRG Social Democratic Party member, was received by National Assembly President Cahit Karatas at 1000. The delegation then called on Prime Minister Bulent Ecevit. The meeting, which was held at Ecevit's office in parliament, began at 1100 and lasted for an hour.

In a statement during his meeting with Ecevit, Fellermaier said: The European Parliament Socialist group members are fully aware of the significance of developing the relations between Turkish Grand National Assembly parliamentarians and European Parliament members. Honorable Prime Minister, we also realize that your present duty is very important. However, we believe that you will succeed in carrying out your duty in a short time. Fellermaier also stated that he had brought Ecevit a special message from the Social Democratic Party leader, Willy Brandt.

Ecevit stated that he was very pleased to see the representatives of the European Parliament Socialist group in Turkey. Ecevit said: The fact that I have had the opportunity to meet my precious friends so soon after we came to power is very valuable for me. We believe that with the new government we have entered a new period in Turkey. We are aware of the significance of our relations with the EEC. The readjustment of these relations in accordance with new necessities has, for some time, been neglected. We are carrying out our work in connection with the giant economic problems we have inherited. Following this work, we have decided to seriously take up our relations with the EEC. We believe that our social democratic friends in Europe will show us great understanding at that stage.

The delegation then visited Foreign Minister Gunduz Okcun. The delegation is expected to leave Turkey for Athens tomorrow.

## GREECE REPORTEDLY PLANNING TO CONSCRIPT W. THRACE TURKS

TA181813Y Ankara Domestic Service in Turkish 1400 GMT 18 Feb 78 TA

[Text] The head of the Izmir branch of the solidarity with western Thrace Turks, Ilias Meseli, has said that the social and cultural development of the western Thrace Turks was being hindered.

In a written statement in Izmir, Meseli pointed out that there were rumors that Greece would conscript the Turkish women in western Thrace. He said that after the cultural, social and economic pressures it inflicted on the Moslem Turkish people, the Greek Government was now trying to add a new kind of pressure.

Meseli said that Greece was putting all kinds of pressures on those who had adopted Ataturk's principles and reform in western Thrace and was trying to force them to emigrate.

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